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### DEPARTMENT OF COMMERCE

International Trade Administration

C-560-819

Certain Lined Paper Products from Indonesia: Final Results of the Expedited Sunset Review of the Countervailing Duty Order

AGENCY: Import Administration, International Trade Administration, Department of

Commerce

EFFECTIVE DATE: [Insert date of publication in the <u>Federal Register</u>.]

SUMMARY: The Department has conducted an expedited sunset review of the countervailing duty ("CVD") order on certain lined paper products ("lined paper") from Indonesia. As a result of the review, the Department finds that revocation of the CVD order would be likely to lead to a continuation or recurrence of a countervailable subsidy at the rates identified in the "Final Results of Review" section of this notice.

FOR FURTHER INFORMATION CONTACT: Mary Kolberg, AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-1785.

#### SUPPLEMENTARY INFORMATION:

### Background

On August 1, 2011, the Department published the notice of initiation of the first sunset review of the CVD order on lined paper from Indonesia, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). See Initiation of Five-Year ("Sunset") Review, 76 FR 45778 (August 1, 2011). The Department received a notice of intent to participate in this review from the Association of American School Paper Suppliers and its members (collectively,

"Petitioners"), within the deadline specified in 19 CFR 351.218(d)(1)(i). Petitioners claimed interested party status for this review under section 771(9)(C) of the Act, as manufacturers of the domestic like product in the United States.

On August 31, 2011, the Department received a complete substantive response from Petitioners within the deadline specified in 19 CFR 351.218(d)(3)(i). We received no substantive responses from any respondent interested parties. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted an expedited sunset review of the CVD order.

# Scope of the Order

The scope of the order includes certain lined paper products, typically school supplies, <sup>1</sup> composed of or including paper that incorporates straight horizontal and/or vertical lines on ten or more paper sheets, <sup>2</sup> including but not limited to such products as single- and multi-subject notebooks, composition books, wireless notebooks, looseleaf or glued filler paper, graph paper, and laboratory notebooks, and with the smaller dimension of the paper measuring 6 inches to 15 inches (inclusive) and the larger dimension of the paper measuring 8-3/4 inches to 15 inches (inclusive). Page dimensions are measured size (not advertised, stated, or "tear-out" size), and are measured as they appear in the product (<u>i.e.</u>, stitched and folded pages in a notebook are measured by the size of the page as it appears in the notebook page, not the size of the unfolded paper). However, for measurement purposes, pages with tapered or rounded edges shall be measured at their longest and widest points. Subject lined paper products may be loose,

<sup>&</sup>lt;sup>1</sup> For purposes of this scope definition, the actual use of or labeling these products as school supplies or non-school supplies is not a defining characteristic.

<sup>&</sup>lt;sup>2</sup> There shall be no minimum page requirement for looseleaf filler paper.

packaged or bound using any binding method (other than case bound through the inclusion of binders board, a spine strip, and cover wrap). Subject merchandise may or may not contain any combination of a front cover, a rear cover, and/or backing of any composition, regardless of the inclusion of images or graphics on the cover, backing, or paper. Subject merchandise is within the scope of the order whether or not the lined paper and/or cover are hole punched, drilled, perforated, and/or reinforced. Subject merchandise may contain accessory or informational items including but not limited to pockets, tabs, dividers, closure devices, index cards, stencils, protractors, writing implements, reference materials such as mathematical tables, or printed items such as sticker sheets or miniature calendars, if such items are physically incorporated, included with, or attached to the product, cover and/or backing thereto.

Specifically excluded from the scope of the order are: unlined copy machine paper; writing pads with a backing (including but not limited to products commonly known as "tablets," "note pads," "legal pads," and "quadrille pads"), provided that they do not have a front cover (whether permanent or removable). This exclusion does not apply to such writing pads if they consist of hole-punched or drilled filler paper; three-ring or multiple-ring binders, or notebook organizers incorporating such a ring binder provided that they do not include subject paper; index cards; printed books and other books that are case bound through the inclusion of binders board, a spine strip, and cover wrap; newspapers; pictures and photographs; desk and wall calendars and organizers (including but not limited to such products generally known as "office planners," "time books," and "appointment books"); telephone logs; address books; columnar pads and tablets, with or without covers, primarily suited for the recording of written numerical business data; lined business or office forms, including but not limited to: preprinted business forms, lined invoice pads and paper, mailing and address labels, manifests, and shipping log

books; lined continuous computer paper; boxed or packaged writing stationary (including but not limited to products commonly known as "fine business paper," "parchment paper," and "letterhead"), whether or not containing a lined header or decorative lines; Stenographic pads ("steno pads"), Gregg ruled, 3 measuring 6 inches by 9 inches.

Also excluded from the scope of the order are the following trademarked products: Fly<sup>TM</sup> lined paper products: A notebook, notebook organizer, loose or glued note paper, with papers that are printed with infrared reflective inks and readable only by a Fly<sup>TM</sup> pen-top computer. The product must bear the valid trademark Fly<sup>TM</sup>. A notebook or notebook organizer made with a blended polyolefin writing surface as the cover and pocket surfaces of the notebook, suitable for writing using a specially-developed permanent marker and erase system (known as a Zwipes<sup>TM</sup> pen). This system allows the marker portion to mark the writing surface with a permanent ink. The eraser portion of the marker dispenses a solvent capable of solubilizing the permanent ink allowing the ink to be removed. The product must bear the valid trademark Zwipes<sup>TM</sup>. FiveStar®Advance<sup>TM</sup>: A notebook or notebook organizer bound by a continuous spiral, or helical, wire and with plastic front and rear covers made of a blended polyolefin plastic material joined by 300 denier polyester, coated on the backside with PVC (poly vinyl chloride) coating, and extending the entire length of the spiral or helical wire. The polyolefin plastic covers are of specific thickness; front cover is .019 inches (within normal manufacturing tolerances) and rear cover is .028 inches (within normal manufacturing tolerances). Integral with

<sup>&</sup>lt;sup>3</sup> "Gregg ruling" consists of a single- or double-margin vertical ruling line down the center of the page. For a sixinch by nine-inch stenographic pad, the ruling would be located approximately three inches from the left of the book.

<sup>&</sup>lt;sup>4</sup> Products found to be bearing an invalidly licensed or used trademark are not excluded from the scope.

<sup>&</sup>lt;sup>5</sup> Products found to be bearing an invalidly licensed or used trademark are not excluded from the scope.

the stitching that attaches the polyester spine covering, is captured both ends of a 1" wide elastic fabric band. This band is located 2-3/8" from the top of the front plastic cover and provides pen or pencil storage. Both ends of the spiral wire are cut and then bent backwards to overlap with the previous coil but specifically outside the coil diameter but inside the polyester covering. During construction, the polyester covering is sewn to the front and rear covers face to face (outside to outside) so that when the book is closed, the stitching is concealed from the outside. Both free ends (the ends not sewn to the cover and back) are stitched with a turned edge construction. The flexible polyester material forms a covering over the spiral wire to protect it and provide a comfortable grip on the product. The product must bear the valid trademarks FiveStar®Advance<sup>TM</sup>. FiveStar Flex<sup>TM</sup>: a notebook, a notebook organizer, or binder with plastic polyolefin front and rear covers joined by 300 denier polyester spine cover extending the entire length of the spine and bound by a 3-ring plastic fixture. The polyolefin plastic covers are of a specific thickness; front cover is .019 inches (within normal manufacturing tolerances) and rear cover is .028 inches (within normal manufacturing tolerances). During construction, the polyester covering is sewn to the front cover face to face (outside to outside) so that when the book is closed, the stitching is concealed from the outside. During construction, the polyester cover is sewn to the back cover with the outside of the polyester spine cover to the inside back cover. Both free ends (the ends not sewn to the cover and back) are stitched with a turned edge construction. Each ring within the fixture is comprised of a flexible strap portion that snaps into a stationary post which forms a closed binding ring. The ring fixture is riveted with six metal

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<sup>&</sup>lt;sup>6</sup> Products found to be bearing an invalidly licensed or used trademark are not excluded from the scope.

rivets and sewn to the back plastic cover and is specifically positioned on the outside back cover.

The product must bear the valid trademark FiveStar Flex<sup>TM</sup>.<sup>7</sup>

Merchandise subject to the order is typically imported under headings 4810.22.5044, 4811.90.9035, 4811.90.9050, 4811.90.9080, 4811.90.9090, 4820.10.2010, 4820.10.2020, 4820.10.2030, 4820.10.2040, 4820.10.2050, 4820.10.2060, 4820.10.4000, and 4820.30.0040 of the Harmonized Tariff Schedule of the United States.

The tariff classifications are provided for convenience and U.S. Customs and Border Protection ("CBP") purposes; however, the written description of the scope of the order is dispositive.

## Analysis of Comments Received

All issues raised in these reviews are addressed in the Issues and Decision Memorandum ("Decision Memorandum") from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Import Administration, dated concurrently with this notice, which is hereby adopted by this notice. The issues discussed in the Decision Memorandum include the likelihood of continuation or recurrence of a countervailable subsidy if the order were revoked, the net countervailable subsidy likely to prevail if the order were revoked, and the nature of the subsidies. The Issues and Decision Memorandum is a public document and is on file electronically via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). Access to IA Access is available in the Central Records Unit ("CRU"), room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the internet at

<sup>&</sup>lt;sup>7</sup> Products found to be bearing an invalidly licensed or used trademark are not excluded from the scope.

http://www.trade.gov/ia/. The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

# Final Results of Review

Pursuant to sections 752(c)(1) and (3) of the Act, we determine that revocation of the CVD order on lined paper from Indonesia would be likely to lead to continuation or recurrence of the countervailable subsidy rates listed below:

Manufacturers/producers/exporters	Net Countervailable Subsidy (percent)
PT. Pabrik Kertas Tjiwi Kimia Tbk	40.55
All Others.	40.55

This notice also serves as the only reminder to parties subject to administrative protective order ("APO") of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of the return or destruction of APO materials or conversion to judicial protective orders is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing the final results and notice in accordance with sections 751(c), 752(c), and 777(i)(1) of the Act.

Paul Piquado
Assistant Secretary
for Import Administration

November 16, 2011 Date

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